

FISCAL OVERVIEW FOR EAP AND CSBG

Training Facilitated by
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IHCDA's MISSION

The Indiana Housing and Community Development Authority (IHCDA) creates housing opportunity, generates and preserves assets, and revitalizes neighborhoods by investing financial and technical resources in the development efforts of qualified partners throughout Indiana.

STRATEGIC PRIORITIES

Ending Homelessness

Comprehensive Community Development

Aging in Place

Individual Self Sufficiency

High Performance Building

DEPARTMENT OF ENERGY PROGRAMS

IHCDA EAP STAFF

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EAP Monitoring Consultants- Engaging Solutions

EAP BUDGET NARRATIVE

Administrative Line Items

Eligibility (based on expenditures)

9%

Program Support (total award)

3%

Family Development (total award)

2%

} Cannot exceed 12%

Energy Education

Energy Education and Materials/Supplies

Up to 4% of total award

Regular/Crisis Assistance

Regular Assistance

Crisis Assistance

Must set aside 10% budget thru 3/15/13

Summer Cool Program

Summer Cool Benefits

will not budget until after winter ends

Summer Cool A/Cs

***Note that Summer Cool Admin will be eliminated starting FY2013*

COMMON BUDGET ISSUES

Contracts Amendments/Budget Modifications

- Contracts will be distributed annually
- Start all budget modifications at #1 with each year
- Budgets have exceeded required percentages
- Budget modifications do not match the amounts paid on IHCDCA online

Administrative Expenses

- Spend more in eligibility expenses than were distributed in benefits
- Submit claims when there are no funds available

Energy Education

- Overestimate Energy Education and then reducing the line item substantially at the end of the program year

EAP CLAIMS PROCESS

Administrative Expenses (Eligibility and Program Support)

- Reports from accounting software
- Invoices, purchase orders, and receipts as needed

Energy Education

- Application Actions Report
- Sign in sheets
- Invoices, purchase orders, and/or receipts for materials/supplies

Family Development

- Timesheets, paystubs, or payroll records denoting staff time spent on family development

COMMON EAP CLAIMS ISSUES

Administrative Expenses

- Items listed under “miscellaneous”, “other”, or “professional services” without descriptions or supporting documentation
- Credit card charges on accounting reports without sending supporting documentation
- Supplies without a description

Energy Education

- Send a reconciliation report to claim missing households without sending the corresponding reports or sign-in sheets

Family Development

- Payroll records do not clearly identify family development hours

EAP PROGRAM INTEGRITY

- Program Integrity is the internal and external monitoring component of the program
- Agencies are required to monitor at least 30 percent of their EAP client eligibility files by the end of the program year
- IHCDCA monitors three (3) percent of each agency's files
- Monitoring may produce underpayments, which require additional benefits to clients
- Monitoring may produce overpayments, which require the utility vendors to send program funds back to IHCDCA and reimburse the block grant

UNDERPAYMENTS

- If the review is completed and it is found that the client was due additional funds, then an additional transmittal is submitted to the vendor for the additional funds.
- These additional funds will be paid out of the agency's current allocation. If the agency has spent out all program funds and an additional amount is owed, it must be paid by the Community Action Agency using non-federal funds.
- Agencies should continue to charge underpayments to their current grant allocation, as long as the funds are available. Additional funds will not be allocated, nor will leveraging funds be available to cover underpayments.

OVERPAYMENTS

- An overpayment occurs when it is found that a client was overpaid. There are funds that need to be returned to the program.
- The money is not due to the client, nor does it get added back into the agency's budget.
- Agencies cannot pay for negative adjustments to client benefits with federal funds (Leveraging, CSBG, or otherwise). Agencies must pay for the overpayments from their corporate unrestricted funds. Overpayments will be applied back to the block grant, not the individual agency's budget.
- Please note that utility vendors have the option to decline the overpayment request because services and/or discounts have been rendered to clients. If utility vendors opt not to pay for overpayments or put charges back on clients' accounts, the agencies will be required to remit the funds back to IHCD from its private, corporate funds. IHCD will send a remittance for payment to the CAA.

COMMON ISSUES WITH OVERPAYMENTS

- Agency have contacted utility vendors about overpayments, but have not submitted overpayment remittances in RIAA for payment

COMMON ISSUES WITH FISCAL REVIEW

- Agencies do not have the signed confirmation sheet from the utility vendors
- The amount of the transmittals submitted for payment does not equal the amount that the utility vendor approved on the signature sheet
- The transmittals took longer than 5 days to be remitted to IHCD for payment after they were approved by the utility vendor

EAP PROGRAM CARRYOVER

The State Program is allowed to carryover up to 10 percent of the total award.

FY2013 EAP Budget Projection Schedule

- February 2013
- April 2013
- June 2013
- August 2013

Common Issues with Budget Projections

- Overestimate line items until the end of the program and have a large carryover amounts.
- Benefit projections do not include transmittals that are pending approval from utility vendors.
- Underestimated eligibility expenses and overdrawn allowable budget percentages.

COMMUNITY SERVICES BLOCK GRANT BUDGET NARRATIVE

Administration Costs

Equipment Purchases include

Travel

Indirect Costs

Subcontracted Costs

Agency Provided Services/Program

CSBG COMMON ISSUES

- Claim unallowable expenses in “miscellaneous” or “other” categories
- Claim agency-wide marketing and public relations expenses instead of programmatic expenses
- Fail to acquire the proper approval for equipment purchases of \$5,000 or more and professional services at \$25,000 or more
- Send employee morale expenses without an explanation or supporting documentation
- Pay stipends to Board members
- Shift expenses from other block grants to CSBG before the agency has maxed out the other block grant’s administrative limits

COMMON ISSUES WITH CSBG CLOSEOUT

- CSBG closeout forms do not match what has been paid on IHCD online
- Remove all in-kind donations from the budget closeout forms

QUESTIONS??

**For additional questions
about CSBG and EAP,
please contact
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